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ABSTRACT

This paper analyzes community involvement in education and specifically discusses the activities of the Educational Priorities Panel of New York City. In the monograph's first chapter, citizen involvement in schools is studied in both an historical and contemporary context. The second chapter details New York City's fiscal crisis and the educational dilemma that followed, and the emergence of the Educational Priorities Panel pursued its goal of monitoring the school board's budget and insuring that educational monies were devoted to instructional services, not administration. Also described are the panel's internal organization and operating procedure. Chapter three outlines the panel's activities and techniques, covering its research methodologies outreach efforts, and monitoring programs. The last chapter reviews the progress of a similiar coalition in Philadelphia, the Council on Educational Priorities. The report concludes by urging the development of such local coalitions in other cities. (APM)

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EDUCATIONAL PRIORITIES PANEL

Helen C. Heller, *Coordinator*
95 Madison Avenue
New York NY 10016
(212) 685-3563

INTERFACE, Staff
251 Park Avenue South
New York NY 10010
(212) 674-2121

ED208070

MEMBERSHIP: Advocates for Children • Alliance for Children • The American Jewish Committee • ASPIRA of New York • Association for the Help of Retarded Children • Citizens Committee for Children of New York, Inc • The City Club of New York • City Wide Confederation of High School Parents Associations • Coalition of 100 Black Women • Community Council of Greater New York • Community Service Society • Junior League of Brooklyn • Junior League of New York City, Inc • League of Women Voters • NAACP • New York Urban Coalition • New York Urban League • Parents Action Committee for Children • Presbytery of New York City • Public Education Association • Queensboro Federation of Parents Clubs • Rheedlen Foundation • United Neighborhood Houses • United Parents Associations • Women's City Club of New York

BUILDING COALITIONS FOR EDUCATIONAL PRIORITIES

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95 Madison Avenue
New York, NY 10016
(212) 685-3563

Helen C. Heller, Coordinator

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Management Staff - INTERFACE

251 Park Avenue South
New York, NY 10010
(212) 674-2121

Stanley Litow
David Lebenstein
Norman Chung

Robin Willner
Susan Amlung
Carla Precht, EPP Replication Project Director

Administrative Assistant
Sandra Moore

DEDICATION

This monograph is dedicated to all the people who have spent their Tuesdays mornings with the Educational Priorities Panel for the past five years:

Efrat Abrams
Laura Altschuler
Hector Aponte
William Baldwin
Minna Barnett
Judy Baum
Carol Berger
Connie Blackwell
Margaret Blanco
Nicholas Bollman
Dr. Wilma Brady
Marilyn Braverman
David Bryan
Alice Cardona
Dennis Cheteyan
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Dana Driskell
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Betty Felton
Florence Flast
Jeanne Frankl
Angella Galli
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Lavinia Hall
Margaret Hayes
Harriette Heller
Helen C. Heller
Bertha Hough
Barbara Hruska
Tracy Huling
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Jean Krampner
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Katherine Lobell
Manuel Mendez
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Louis McCagg
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Sheila Mitchell
Richard Murphy
Ellen Nathanson
Arlene Pedone
Jean DePesa
Dianne Priddy
Lorraine Pulis
Amina Abdur-Rahman
Betty Raisez
Mary Ellen Rudolph
Henry Salzman
Howard Sanders
Regina Schattner
Karen Schlesinger
Yolanda Schuschny
Meryl Schwartz
Kathie Sincerbeaux
David Seeley
Steve Serafin
Frederick Shaw
Lee Sternlight
Eleanor Stier
Peter Strauss
Ben Tafoya
Miriam Thompson
Stanley Turkel
Carol Wallace
Margaret Whelan
Elaine Weiss
Elissa Williams
Charles Wilson
Marie Wilson
Robert Wolf
Aileen Wittenstein
Nancy Zuger
Georgiana Zustovich

BUILDING COALITIONS FOR EDUCATIONAL PRIORITIES

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PREFACE

Can citizens and parents have an impact on school budget decision-making in big cities? This paper tells the story of a group of parent, civic and educational organizations -- the Educational Priorities Panel (EPP) of New York City -- who have proven the answer can be 'yes'. And it shows how the EPP fits into the national urban education scene.

The story shows how 25 diverse groups coalesced around a single agenda -- that education dollars should be devoted, to the greatest extent possible, to instructional services for children, and not to administration; how they pursued that agenda together for five years; and how they can now lay claim to more than a quarter of a billion dollars for classroom services that otherwise would have been lost. It is a story worth telling.

This report is part of an effort to encourage the development of local coalitions like the EPP in other cities around the nation. In addition to EPP's experience, it is based on a year-old project in Philadelphia modeled after the EPP, and includes research utilizing interviews and data from cities and school districts across the country. Used in conjunction with the guidebook, How to Form Your Own Coalition Around Local School Budget Issues, it provides the background for understanding the EPP's experience and how it relates to you.

Assuming that you have heard about the EPP and that you have some kind of stake in quality public education for your local district, ask yourself these questions while reading this monograph:

1. Is my city and/or school district operating under fiscal constraints?
2. How are my city and school district different from New York City and its schools? Do these differences inhibit our ability to form a coalition around school budget issues?
3. Is there a need for better fiscal management of my school system?
4. What are the basic ingredients that make EPP work? Are they available in my city?
5. Have groups like the EPP ever existed in my city? Do they exist now? If not, why not?
6. Can the problems that I've identified in my city and school district be addressed effectively without a coalition?
7. Who else might be interested in reading this monograph?

INTRODUCTION

The concept and the local impact of New York's Educational Priorities Panel have meaning for urban school districts throughout the country.

Clearly, citizen supporters of public education need to understand the direct line between the allocation of funds and the nature of services. Information becomes political leverage when advocates are knowledgeable in the highly technical arena of the financial management of their school budget.

Citizens are becoming increasingly aware that bureaucracies cannot always be trusted to carry out the same priorities that the public would choose. Education in particular is being forced to open up to public scrutiny. However, budgetary choices which determine educational policy are often difficult to affect. Lay persons are intimidated by technical jargon and seemingly inscrutable documents. Yet, in a cynical city, the EPP has been singularly successful in recruiting members of broad-based interest groups and funders to the cause of improved management of public schools. As a model for other citizen groups, it may well be worth heeding.

CHAPTER I

Citizen Involvement in Schools - An Overview

History

To see EPP's experience in an historical perspective, it is helpful to understand the history of citizen involvement in the educational decision-making process, especially with regard to the new fiscal context in which cities and urban school systems are operating.

Before industrialization brought modern social problems to U.S. cities, rural, small town and city schools were controlled by their local communities. Citizen influence in local government decreased during the second half of the nineteenth century, as local departments for sanitation, street maintenance, firefighting, transportation and health were established. Simultaneously, standardized schooling practices with uniform curricula, textbooks, and tests became part of an educational "reform" movement led by businessmen and politicians, to produce the "human capital" for future economic development.

Early in the twentieth century, as the political strength of immigrant populations grew, its members began to question the depersonalized educational methods. However, school responsiveness to the values and interests of the immigrants depended on the political clout of local groups.

The original educational reformers thus stimulated the growth of a political counter-weight, the citizens, who strove to gain

a voice in their schools. Resolved to consolidate their control, the old reformers and their political allies concentrated on restructuring the way school districts were governed. Their effort was strengthened by education officials and professional groups. Their answer to demands for public participation was to strengthen the roles of administrative professionals and education experts.

To further empower professionals, the school districts were centralized: school board size was decreased, superintendents were appointed rather than elected, boards were elected at large rather than by ward or district, and school districts were given fiscal autonomy from the municipal governments.

As Don Davies of the Institute for Responsive Education notes in Patterns of Citizen Participation in Educational Decision Making:

> Superintendents changed from clerks to dominant policy makers. The new boards acquiesced to the influence of the superintendent as he or she delegated authority to a rapidly expanding corps of middle-management administrators. The result was a large and centralized school bureaucracy.

This bureaucracy successfully created a barrier between citizens and their schools. By removing the public from the arena of decision-making, the professionals took charge of such issues as pupil testing, school governance, curriculum and the budget. Before the middle of the twentieth century, the administrative professionals were entrenched.

But following World War II, a new and different type of reform movement, with its roots in the migration of poor Black and Hispanic populations into urban centers, began to emerge. Faced with white,

middle-class control of local institutions, minority leaders eventually demanded community control of ghetto schools.

The new reformers, like the earlier immigrants, questioned the fundamental assumptions about what schools should teach, who should do the teaching, and who should make those choices.

Nationwide, some administrators and politicians responded to these currents by recruiting more minority personnel and establishing some decentralized bodies, though these were mostly advisory in nature. The professionals were, and still are, reluctant to share power in any significant way, and most saw no reason to encourage ongoing citizen participation in educational policy.

The Current Context

Despite the groundswell of challenges to their power, the professional school bureaucracy retains control of most school systems. The forces pushing decentralization and community control have grown weaker, in part because of a changing political climate.

Yet the conflicts between professionals and those they are supposed to serve remain, leading to a search for new ways to govern and improve schools. A recent development has been the proposal for "school-based management," which involves delegation of important decisions on budget, personnel and/or curriculum to the actual school building level along with a participatory, site-based, planning, policy and evaluation council. So far, this concept has been tried only in a few states.

According to the Institute for Responsive Education (IRE), people become involved in the decision-making arena to affect:

1) a policy change;

2) service delivery;

3) community development;

4) student performance; and

5) enhancement of their own organizational effectiveness.

Often overlooked is the fact that in the political and fiscal climate of the late 70's and the 80's, budgetary policies affect all of these areas, and involvement in financial decision-making is potentially the most direct approach. The goal of effective and efficient delivery of educational services continues to be a concern of the traditional consumers -- parents and youth activists who have always wanted more and better schooling. But fiscal constraints have made it an interest of others as well. Taxpayers, businesses, city and state officials, too, want to be able to get more "mileage" from their dollars. While there remain some areas for conflict between these two groups, the times are forcing a convergence of their objectives and new coalitions for educational accountability can emerge. Such new groups have formed in at least two American cities -- New York and Philadelphia -- and they are probably harbingers of a new movement.

National opinion surveys show little public support for increased taxes to support bigger school budgets, a trend that is especially clear in central cities. Yet these same polls, taken annually during the 1970's by the Gallup organization, also seem

to indicate a deep reluctance to reduce school services. The only area of consistent agreement for possible cutbacks is in "administrative costs."

Resistance to higher school spending is also found in the public response to declining school enrollments: most of those surveyed felt that school budgets ought to be reduced accordingly. Nevertheless, there still seems to be general concern for and commitment to better education among all citizens, whether they have children in the public schools or not.

But can elected officials and school boards fulfill these conflicting public desires, for quality schools without higher expenditures -- in a period of inflationary pressure? Though nationwide figures show confidence in local school boards, the same is not true in large cities, where public faith in school boards is relatively low. The most recent survey showed that only 14 per cent of central-city residents had "a great deal of confidence" in the ability of school authorities to deal with their problems.

The most encouraging sign in recent polls is a growing public and parental interest in school affairs. People want to know more about their local schools, and the vast majority showed a willingness to become personally involved in educational decision-making. When asked, in 1977, if they would like to serve on an educational advisory committee, 90 per cent said yes, and were able to indicate specific topics which most interested them. One survey analyst called this level of public interest "amazing."

In the past, there have been three inter-related stumbling blocks for parents and other concerned citizens who have attempted

to influence educational policy: the focus on the individual school; lack of technical and budgetary expertise; and the tactics of professionals and the bureaucracy, reflecting a different (and sometimes conflicting) agenda.

Efforts at the school level must be cognizant of the context of the school district. Parents have often been stymied because they have applied pressure where there is no authority or decision-making power. For example, if supplies are unavailable at an individual school because of mismanagement in the district purchasing mechanisms, it is unproductive to confront the school's stockperson. And, even more basic to services, if the local school district has reduced the amount of funding which is available to a school for hiring teachers and aides, complaints and demands to the school principal are ineffective.

The second problem is the ease with which school district personnel intimidate citizens in the area of budgets. When resources are limited, the distribution of available funds becomes highly sensitive. Choices made within a budget reveal the administration's priorities. Parents and citizens need to understand how these priorities are determined and executed so that they can influence fiscal decisions and the educational policies which result.

Unfortunately, the tradition has been for parent and civic groups not to demand access to the budget process. For many, the fear of being inadequately prepared to discuss budget technicalities

is too inhibiting. Fiscal agents and budgeteers have intimidated others so much they hesitate to ask even the most tentative questions. Without the technical skills and information to demystify the budget for a lay audience, the assignment of priorities remains a secret for most citizens.

School bureaucracies have not tried to dispel this aura of complexity. Rather, they have often encouraged it, and this becomes the third obstacle to citizen impact. By refusing to open the budget process to their constituents, professionals have avoided discussion of priorities and the allocation of available funds. Instead, they have encouraged parents to demand more dollars (an increasingly ineffective, if not irresponsible, stance), rather than more effective use of existing resources.

In 1976 in New York City, in response to budget cutbacks, the school day was shortened, while parents witnessed administrative activities proceeding as usual. Before the Educational Priorities Panel, the reallocation of funds from administrative to instructional areas was never seriously considered, even during a fiscal crisis which prevented any possibility of new funding. Instead, New York, as most school districts, cut instructional services. Direct service reductions assure the necessary and traditional response -- a hue and cry from parents, which might not occur if other cost-saving actions preserved the level of services to children. It is the students, obviously, who suffer from this self-serving strategy. Only an active, informed citizen movement can prevent this type of maneuvering -- a citizens movement that concentrates on maintaining services rather than maintaining the <u>status quo</u>.

Citizen Groups Today

Citizen coalitions certainly are not a new idea. And parent and community involvement in local schools is a practice as old as formal education itself. Yet, probably in part because severe fiscal constraints on schools are a relatively recent phenomenon, organized citizen involvement in school budget issues occurs very infrequently in the United States.

The EPP has attempted to identify groups similar to itself in focus and structure,* but has not found its analogue (other than the Council on Educational Priorities in Philadelphia, a group started with EPP help). There seems to be no other coalition of diverse groups concerned with quality public education which concentrates solely on local school budget issues. A variety of groups do exist that address, as part or all of their agenda, local and/or statewide school budget problems. Some are ad hoc neighborhood groups, others are incorporated, and still others are coalitions. Yet most of these groups either demand accountability from their school districts, lobby for more money without justifying how their districts spend the money they have, or focus on their special interests (such as special education, school closings,

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* Information was collected from groups such as the National Council for Citizens in Education, the National School Boards Association, the Institute for Responsive Education, the National School Volunteer Program, Inc., the Council for Great City Schools, the National PTA, the League of Women Voters of the U.S., the National Institute for Education, the National Center for Education Statistics, Designs for Change in Chicago, and individuals in the education field.

etc.). The CEP and EPP appear to be the only groups that are coalitions and concentrate on all three categories as their sole agenda.

The Financial Crisis of American Cities & City School Systems

America's older cities, particularly those in the Northeast and Midwest, began to face severe fiscal problems in the 1970's. New York was the most dramatic example of financial crisis, but Boston, Baltimore, Detroit, Philadelphia and other cities also experienced increasing costs, declining revenues and economic stagnation. Industries which sustained these cities in the past had moved elsewhere, and the entire country was undergoing a recession. At the same time, these cities were in many cases victimized by an unequal distribution of Federal spending. Having carried the burden of caring for the nation's poor and elderly, while younger families moved to the suburbs after World War II, the central cities were forced to incur larger and larger debts.

When these debts could no longer be sustained, a period of readjustment began which is still continuing. For city residents this has meant service cutbacks, employee layoffs and the end of many innovative programs.

This era of scarcity has forced a closer look at how money is spent by urban governments in providing police, fire, health, welfare, and other services -- including education, one of the largest single areas of public expenditure.

For many, the condition of our schools is the measure of urban decay, affecting the entire economic fabric of life. Furthermore,

no service is as crucial, if a turn-around is to be effected, as our urban school systems. If cities are to survive and become vital again, the education of our public school children must be a high priority.

Over the coming decade, several key factors will intensify the need for careful monitoring of school expenditures around the country. Perhaps the most significant single factor will be a continuing decline in elementary and secondary school enrollments which dropped by more than four million between 1969 and 1979, according to Department of Education statistics. This trend is expected to continue in the lower grades until the middle of the decade, and in the upper grades until 1990. It will be felt most sharply in urban public school systems, particularly in America's older cities.

Yet those are the very schools which seem most in need of help: their pupil absentee and dropout rates far exceed the national average. Average daily attendance is below the national norm in 14 of the nation's 17 largest school districts. And poor attendance, which is really an indicator of deeper problems, often adversely affects districts' state and federal aid.

Fiscal pressures have had their effects. Though national studies project a slight narrowing of present student-teacher ratios, this is unlikely to be the case in fiscally insecure urban school systems. A 14 percent reduction in public secondary school classroom staff is expected to occur between 1979 and 1988, of which a large proportion will come from the declining population centers of the East and Midwest. Older cities, in fact, have

already experienced significant increases in student/teacher ratios, and enrollment declines may not counterbalance this trend.

Nationally, the cost of educating children rose at a rate that doubled between 1977 and 1978. But despite higher costs of salaries, pensions, fuel and other necessities, expenditure levels for public schools are expected to remain fairly constant during the coming decade, meaning greater pressure to get the most out of each dollar spent.

School finances will also be affected by shifts in wealth from one region to another, and by changes in allocation of funds by local, state and federal governments. During the past decade there was a marked shift in investment and income from the old industrial states of the Northeast and Midwest to the so-called Sunbelt states of the South and Southwest. This trend is expected to continue. As older cities are forced to increase their capital expenditures so that aging infrastructures can be replaced, it is clear that "cost containment" will become a high priority for older urban school systems. Simultaneously, expenditures on elementary and secondary education have stabilized or declined as a percentage of governmental budgets, while expenditures on health, welfare and other areas have grown.

The outlook on the state and federal levels for education funding is dim. Very few states have included special urban adjustments in their state aid to education allocation formulae. In New Jersey, school finance reform has, in fact, backfired on the state's depressed cities which are having to return to court.

The attempt by New York State's largest cities to aver special urban "overburdens" in providing education although upheld at the trial level, faces serious challenge on appeal.

Congress has never appropriated authorized levels of funding for education of the handicapped, a responsibility which falls especially on cities. And, the Title I allocations have always fallen far short of what is needed to serve all those children who are eligible.

Now, the federal administration has announced major cuts in in most federal education programs, accompanied by the return of greater decision-making power to the state and local school districts.

Although the rest of this discussion will focus on New York City and its school system, it is clear that the forces in operation in cities all over the country point to the need for responsible citizen involvement in school budget decision-making.

CHAPTER II

New York City and the Emergence of the Educational Priorities Panel

Certainly, in New York City, the financial problems of the schools derived directly from the city's fiscal crisis.

The events leading to New York's fiscal crisis span several decades. They are too complex to discuss here, and many of the arguments about the fiscal crisis remain to be settled by future historians. Part of the problem was the movement of industry and jobs away from the city at a time when immigration of poor people from the south and abroad was growing rapidly. As expenditures rose while the revenue base shrank, the city began to live above its means. More immediately, the crisis was brought on by the city's growing short-term debt at a time of national economic recession.

New York avoided bankruptcy during the peak of the crisis in 1975, but not without severe consequences. To refinance its debt, and to convince Federal authorities and local financiers that it was creditworthy, the city was forced to undertake a painful austerity regime. Wide-ranging cutbacks, which lowered living standards for many New Yorkers, continue to this day. More than one commentator has compared the ongoing service reductions to the famous remark by an Army officer about a Vietnamese village: "We had to destroy it in order to save it."

In practice this has meant rising transit fares and declining transit service; removing police and firefighters from neighborhoods suffering crime and arson; closing day care centers, health clinics and hospitals.

The Schools' Fiscal Crisis

Since the early 1970's, the Board of Education had received funds on an incremental basis. The Board would determine its budget requests by adding onto the year before. The increases that were requested continued to grow each year.

Between 1971 and 1975, New York City's Board of Education budget increased by $750 million, while enrollment declined. In the first year of the fiscal crisis, nearly twenty thousand teachers were laid off while only 34 administrators lost their jobs. A bulging bureaucracy together with debt services ate up nearly 60 cents out of every education dollar in the city. Meanwhile, Board of Education officials blamed declining services on inadequate funding. One councilman responded that the Board was intentionally misleading the public and that, in fact, it was the Board which was shortchanging the students because of its poor performance.

In December 1975, the Chancellor of Schools proposed a budget that called for an increase of over $433 million. At the same time the Mayor was asking each agency to prepare plans to reduce its expenditures by 5 to 15 percent. Helen C. Heller, Executive Director of the United Parents Associations, commented that the Chancellor's request showed an unwillingness to recognize fiscal realities. "It was as if the bureaucrats were ostriches hiding their heads in the sand." Finally, facing a budget which could no longer be increased, the school administration cut instructional services while administrative services were not only not reduced, but in many cases, increased:

- Ninety minutes of instructional time per week were eliminated as part of contractual negotiations;
- Guidance counselors, art and music programs and physical education programs were cut;
- Administrative expenditures increased in the school transportation, school lunch and school custodial programs.

But the only role that was seen as appropriate for parents and taxpayers was to appeal to the city and to Albany for more funds to support the Board's requests.

It became increasingly clear that the priorities established by a Board and staff meant business as usual and often did not represent the interests of the consumers of public education.

Recognizing that the New York City school system would not and could not reform itself without outside prodding, a coalition of sixteen agencies formed in early 1976 to represent the consumer population and to change the educational priorities of the Board of Education.

The coalition brought together a broad cross section of consumer-oriented education interest groups which had a history of independent and often uncoordinated actions. In the late '60's in his book, 110 Livingston Street, David Rogers noted the severe fragmentation among some of these groups and their inability to come together to forge a consistent force to counterbalance the growing strength of vested interest groups. EPP's focus was the education budget; its tool was budget analysis to insure that

maximum attention was accorded instructional services to children; its goal was to convert dollars wasted through mismanagement and inefficiency into dollars spent for learning.

The Educational Priorities Panel, now a coalition of twenty-five major parent and civic groups, is much more than a research organization. In many ways it signaled the emergence of a third force in educational decision-making, a force to counterbalance the strength of the bureaucracy and the unions and speak for the clients of New York's school system. It utilizes the budgetary process and the management study as tools to achieve major structural and management reforms in our educational system.

In order to understand how the Panel works, it is necessary to first be aware of the nature of the legal relationship between New York City and its school system.

New York City's School Structure

The governance structure of New York City's school system is atypical in that its system is both centralized and decentralized. There is, as in most systems, a central Board of Education made up of seven members appointed by various city officials. There is also a Chancellor (or Superintendent) with a large staff, who has responsibility over all high school and special education programs as well as all support programs (i.e., transportation, building, school food, curriculum, etc.).

In addition, New York's decentralized system provides community control over the elementary and junior high schools with 32 locally elected community school boards each of whom appoints a local district

superintendent. Many say that this system is awkward and cumbersome providing a confused delineation of powers between central bureaucracy and local school boards. In actuality, key budgetary decisions, as well as all development of educational policy, emanate from the central school headquarters. This is partially due to the structure of the system, but a more important factor has been the loss of discretionary money for the community districts since the fiscal crisis. Therefore, to influence centrally developed policies a citywide group is necessary.

Furthermore, in order to effect fiscal changes, pressure must be brought to bear on the city government as well as on the school system. The Board of Education has no tax-levying powers. Other than restricted programmatic aid from the state and federal governments, all its revenues are granted to it by the city. Even state operating aid must be passed through the city coffers. The Board of Education presents its budget to the Mayor and Board of Estimate for funding. The city grants money to the Board in broad categories and has limited authority to dictate for what purposes the money is spent.

The EPP Record: Agenda, Activities and Accomplishments

Within the short period of its organizational lifetime, the EPP has undertaken a host of activities, and achieved a great deal. EPP's general goal is expressed in its initial press release of May 3, 1976: "The purpose of our independent analysis of the budget is to help the Board understand the ways in which it could reallocate its existing budget to yield improved educational

services to children." In its own words, the EPP "focused its energies on two concurrent and general strategies, which can be described as analysis and liaison."

The analysis component has been demonstrated in the Panel's series of budgetary critiques and reallocation proposals, management studies, and monitoring of budget modifications and program implementation.

Budget and management analyses enable the Panel to evaluate whether the Board of Education's spending practices and management structure reflect the best interests of children. The research results provide a common set of goals and supporting data which unite the Panel's member agencies and allow the Panel to document public policy alternatives for the review of elected officials, civic leaders and the parent community. The research forms the basis of the Panel's precise recommendations for budget reallocations.

The liaison strategy has been pursued through testimony at the Board of Education, presentations at Board of Estimate and City Council budget hearings and committee sessions, briefing sessions with candidates and elected officals, press conferences and other media contacts, and outreach to local school board members and parent groups.

The evolution of EPP has been quite dramatic to witness. Initially EPP had to win a battle of credibility when its budgetary analysis was questioned by technocrats at central school headquarters. By and large, EPP has won that battle. As noted, it has succeeded with parents and civic groups in cementing its coalition base and

expanding it. But more importantly it has established a high reputation with the political establishment, the media, state officials, and with the administration at the school headquarters, in a surprisingly brief period of time.

EPP has spearheaded administrative reforms in key areas of school operations. In school leasing, school buildings, school lunches, school budgeting, school space utilization, community use of schools, curriculum, bidding and purchasing, reform has begun, based directly on EPP's work. EPP's outreach program has led to the creation of a base of community support around education budget reform. EPP has framed the debate on educational priorities and has won wide acceptance in school districts and parent associations for its concepts. All of this has been accomplished in a uniquely cost-effective manner. For every 100 dollars contributed toward the EPP's work by foundations and corporations, EPP has obtained $25,000 in services to children. Now supported by twenty separate foundations and corporations, EPP's broad-based funding has allowed it to expand and add depth to its program.

The first and foremost accomplishment of the EPP has been the reallocation of funds away from administrative areas into direct classroom services to children by the commitment of new funds and the restoration of funds which had been slated to be cut. A summary of total dollar savings follows.

Funds Committed to Instruction as Proposed by EPP

Year	Type	Amount in Millions
1976	Shift by City Council and Board of Estimate	$12.5
1976	Budget modification from transportation into Special Education by the Board of Education	$18
1977	Shift by City Council/Board of Estimate	$ 2.5
1977	Reallocation by Chancellor	$ 2.5
1978	Savings pledged in Mayor's Financial Plan	$15.7
1978	Reallocation adopted by Council and Board of Estimate	$15.7
1978	Agreement not to penalize Community Districts for underspending	$ 8.5
1978	Chancellor's reallocation of funds to new instructional initiatives	$ 7.2
1979	Administrative reductions	$20
1979	City Council/Board of Estimate restorations to education budget	$20
1979	Mayor's grant of full supplemental state aid appropriation to education	$14
1980	City and Board of Education agreement to administrative actions to avoid projected deficit without teacher layoffs	$23
1980	Mayor's restoration of funds for education in Executive Budget	$22
1980	Administrative savings	$35.5
1980	City Council/Board of Estimate restorations to education budget	$41
1981	Mayor's grant of state aid claim payment to the Board of Education	$24
TOTAL FUNDS TO INCREASE CLASSROOM SERVICES		$282.1 million

To achieve these shifts, EPP has commissioned and/or prepared the following reports and materials:

Outreach Publications:

- A Citizens' Guide to the New York City School Budget (English and Spanish) (1978 and 1980)
- A Citizens' Guide to the New York State School Aid Formula (1978, 1979, 1980)
- A New York City Citizen's Guide to Title I of the Elementary and Secondary Education Act (1979)
- A Fair Shake for Kids - an audio-visual presentation

Budget Reports:

Annual Analyses of:

- The Chancellor's Proposed Budget
- The Mayor's Program to Eliminate the Gap
- The Proposed Executive Budget for the Board of Education

- Local Tax Revenues (1981)

Management Reports:

- Empty Desks at School: Improving Attendance at New York City Public Schools (1980)
- When A School Is Closed (1980)
- Help Wanted: Public Vocational Education in New York City (1980)
- The Allocation of Tax Levy Funds to New York City High Schools (1979)
- A Management Study of the Board of Education Division of School Buildings (1978)
- Bidding and Purchasing at the Bureau of Pupil Transportation, Bureau of Supplies and the Office of School Food Services (1978)
- New York City School Headquarters and the Community School Districts (1977)

- The Custodial Contract and Maintenance Costs in the New York City Schools (1976)
- The New York City School Lunch Program (1976)
- Special Education Funding: A Story of Broken Promises (1981)
- Special Education Expenditures (1981)
- Budget vs. Payrolls (1981)

In addition in 1980 the Panel conducted a study of budget and resource allocation at the City University of New York.

The success of the Panel has been due predominantly to the considerable commitment of time and in-kind services provided by the EPP member agencies. Delegates from each of the twenty-five agencies attend weekly Panel meetings, special subcommittee meetings and frequent meetings with public officials. Their willingness to devote so much time is due, first of all, to the influence they have gained for their organizations as part of a powerful coalition. They also recognize that the Panel's research and information sharing among the members have become invaluable resources to their own agencies.

Perhaps the most significant accomplishment has been the trust established by the member agencies as they have worked together.

Member agencies have shown a great deal of responsibility in the process by which they reach positions and act upon them. They have been careful not to be influenced by strong pressures to simplistically call for additional funds for education. They have consistently argued that we must get accountability for the

money currently spent before additional funding can responsibly be requested.

Beginnings of the EPP

How did all this come about? It is illuminating to trace the early development of the EPP, especially the initial decisions that were made. Following that, the special considerations and problems of the EPP will be dealt with in some detail, with special attention to how they were addressed and handled. The history will then proceed to the changing nature of the Panel's approach and structure since 1976. Finally, the next chapter will explicate the specific research, monitoring and outreach techniques employed by the Panel.

By 1975 the fiscal crisis had to be taken seriously by every New Yorker with an interest in education. The realization that the city faced a long-term crisis severely affecting its ability to deliver basic services, and the anticipation of larger classes, shorter school weeks and reduced school staff made focusing on the Board's choices imperative. In response to the crisis, the school system had to achieve greater levels of efficiency or classroom services would be endangered.

Thus, the budget-making process was suddenly spotlighted. The strongest voices in the budget discussions at the time were those of the most organized "budgeteers" -- the labor unions and the central administration. A third voice -- the "client community" of the school system -- needed to be represented in the budget process. That need brought three important city figures in education and social services together. Henry Saltzman, Helen C. Heller and

David Seeley are considered to be three of the key leaders in the founding of the Panel, although many others made important contributions.

Helen Heller, who was eventually elected to serve as EPP's Coordinator (or Chairperson), had recently become Executive Director of United Parents Associations, a city-wide federation of school-based parent organizations. In addition to representing the major elements of the public school "parent" constituency, she had been president of the New York City League of Women Voters, providing her with broader civic and good government credentials, and she had served as a local school board member. Her demeanor, temperament and reputation made her eminently qualified for the sensitive position of Coordinator.

Henry Saltzman was executive director of the Citizens Committee for Children of New York City, Inc., a major child advocacy group in the city. He brought to EPP a broad knowledge of education, social services, child welfare and youth related areas. He had worked as a teacher, foundation executive, education advisor to Mayor Lindsay, and president of Pratt University before coming to CCC. His knowledge of program, political savvy and funding contacts proved extremely helpful to EPP in its early days.

David Seeley, Executive Director of the Public Education Association, brought a working knowledge of the schools and a long history of involvement in education reform causes. For many years, the PEA had led the way with research, policy analysis and educational experiments, many of which remain lasting contributions to the public school system today. He too had served as an education

aide to Mayor Lindsay and was identified with Lindsay's controversial effort to decentralize the public school system. At the U.S. Office of Education, Seeley had played a major role in early civil rights and school desegregation efforts nationally.

Their initial discussions gave birth to two ideas. Both centered around the thought that educational groups had to unite to hold the Board accountable for its fiscal decisions.

The first idea, which ultimately backfired, was to request that the Board of Education schedule a retreat to set down its priorities in light of the fiscal crisis. This would produce, it was thought, a public statement for which the Board could be held answerable. The public, theoretically, would also have a clearer understanding of the board's priorities.

Sixteen groups eventually joined in this request. But the Board declined to entertain it at all.

Board members and the Chancellor's staff continued to insist that their priorities were reflected in the budget, which could not be reduced. In fact, they challenged the agencies to find alternatives. In this endeavor, they said they would cooperate by providing the necessary information. It was time, as Henry Saltzman remarked, "to put up or shut up."

The formation of the EPP was the second idea. After consulting with a prospective funding source who had been an active supporter of education groups for years, the co-founders were even more certain that an ongoing coalition effort was possible. But first, a very diverse group, some with conflicting positions, had to be pulled together in trust and common purpose.

The coalition's structure did not develop quickly. Structure was inevitable, but at first the press of events dictated the group's activities. Some decisions were made by the three initiators prior to the first EPP meeting in January, 1976; and future decisions were made by the Panel as a whole.

The tasks, techniques and decisions encountered by the Panel during its first six months included:

1. Establishing common goals and agenda.
2. Establishing membership criteria.
3. Defining a meeting schedule, work commitments and functions.
4. Establishing the role of the chairperson.
5. Pooling all information.
6. Establishing a decision- and policy-making process.
7. Establishing EPP as an ad hoc coalition, identifying funding sources and preparing and disseminating a proposal.
8. Hiring a staff.
9. Defining and developing a constituency.
10. Developing research and outreach activities and strategies.

Each of these is discussed below:

1. Goals and Agenda

By the EPP's first formal meeting, 16 parent, civic, and education groups had unanimously agreed on a common goal: ensuring that the maximum amount of money available go toward educational services for children. "There was an electrifying consensus," recalled David Seeley in a recent interview.

All member organizations were expected to put their specific interests aside in an effort to unify and focus the Panel. This was not easy. The competitive feeling among them for constituencies, members and funds sometimes created a veil of distrust that wasn't always easily lifted. A common and narrowly defined agenda was therefore crucial. The agenda was created to highlight mutual concerns of the coalition and focus on the specific functions of the Board of Education.

2. Membership Criteria

Although Heller, Saltzman and Seeley knew what kinds of organizations they wanted to invite to the first meeting and enlist as members, they found it necessary to explicitly define the EPP's membership criteria in its early days in order to restrict further growth to the kinds of groups they felt were appropriate. Debates centered around whether the Panel would enlist the teachers' union, local school boards, or business and neighborhood groups.

The consensus was that in order to represent solely the needs and interests of public school children, the EPP could not include groups with other possible interests tied to job security, for instance, or to specific political parties or city officials, or to neighborhoods. Therefore, it was agreed that member agencies were to:

- represent a citywide or boroughwide* constituency;
- have a primary or major interest in public education;

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* New York City consists of five boroughs (or counties).

- have no financial ties to the school system;
- be willing to spend staff or volunteer time to attend regular and special Panel meetings and to do the necessary preparation for those meetings.

Because Heller, Saltzman and Seeley had personal or professional contacts with many of the groups they had targeted for the first meeting, enlistment was no problem. They informally approached various people in the education field, and a majority of the member agencies of EPP joined because of their initial thrust.

Below is a list of EPP member organizations. (Those with asterisks joined the Panel after January 1976.)

Parent/Educational Groups

United Parents Associations
Public Education Association
Citywide Confederation of High School Parents
Queensboro Federation of Parents Clubs
Parents Action Committee for Education

Children's Advocacy Groups

Citizens' Committee for Children of New York, Inc.
Advocates for Children
Alliance for Children
*Rheedlen Foundation

Voluntary Social Agencies

Community Service Society
Community Council of Greater New York
*Association for the Help of Retarded Children
*United Neighborhood Houses

Civic Groups

City Club of New York
Women's City Club of New York
League of Women Voters
New York Urban Coalition
*Junior League of New York City, Inc.
*The Junior League of Brooklyn

Ethnic/Racial/Religious Organizations

ASPIRA, Inc.
New York Urban League
*Coalition of One Hundred Black Women
*American Jewish Committee
*NAACP
*Presbytery of New York City

A survey of original members revealed that their purpose in joining was a natural outgrowth of their interest in quality public education or in the city's public services. The groups needed more information on how the school budget was allocated and managed, a need based on their belief that the Board of Education was not responsive to the public's concerns. All member agencies felt that the budget did not emphasize classroom services, and that they wanted to influence the budget-making process which could be better accomplished working together than alone.

The individuals who represented the member agencies differed in background, experience and title, and their interest in becoming Panel members related directly to their organizations' interests. Some simply wanted to represent the city's different racial and ethnic populations, and a few remarked that they weren't too interested in joining at first, but "it was a staff assignment." Some were active parents, some were former teachers or professors, some were former school board members. Some had considerable knowledge of state legislation. Most had at least a peripheral understanding of budget issues, and a few had been deeply involved in analyzing the school budget.

3. Work Commitment

The consistent work commitment by each agency was reflective of the depth of its commitment to the Panel's common cause. It was decided that each agency had to devote the time of at least one person for a two hour weekly meeting. This was easier for some members than for others, and some came as paid staff while others volunteered their time. However, for all it was a substantial commitment. In most cases, those staff people who were assigned to represent their respective organization had a full set of responsibilities prior to their participation in the EPP. And in many instances, volunteers had busy lives outside of their involvement with the Panel.

As the Panel's tasks multiplied, it became imperative that member agencies become involved in the work that had to be done. In addition to reporting on the coalition's activities to the supervisory bodies of their respective organizations, the participants began to take on more active roles. Some of these were uniformly shared throughout the Panel's membership, some were assigned to member agencies depending on their expertise, capacity and time. Others simply reflected the willingness of some members to volunteer.

The weekly Panel meetings gave the coalition a pace and consistency that remain the backbone of the EPP. The Panel would never have accomplished as much as it has if not for the member agencies' recognition that their weekly presence provides the sustenance of the EPP's work.

4. Role of the Coordinator

Helen Heller was elected to the chair from the beginning and has been reelected to that position each year.

While Ms. Heller's responsibility has expanded tremendously over the years, her initial role was as a public spokesperson, liaison to and supervisor of the coalition's staff, and convener and chair of the Panel's meetings. Her ability to work with and unify people of different interests and backgrounds was considered remarkable.

5. Pooling Information

As each organization joined the Panel, it was asked to donate all the pertinent information that it had prepared. This included each agency's old as well as recent analyses of the Board's budget, in addition to the names of key people who might be helpful to the Panel.

The establishment of a common data base was the result of this information sharing. A body of material on one issue, standard throughout the member agencies, was unheard of prior to the EPP's inception. Of course, it was quickly learned that the various agencies had conflicting material in addition to information that no other organization had. It should be emphasized that the process of developing a data base is an ongoing activity, one that is forever crucial to the Panel.

6. Decision-making

As the coalition gained new members, conflicts among the participating agencies became more apparent; a process for making decisions

was needed. It was decided that all Panel positions had to be reached by consensus. This, of course, demanded the time, participation, patience, and flexibility of the member delegates and agencies. Yet once consensus was reached, it held more clout than any of the separate agencies could have wielded alone. In addition, most of the member agencies would not have joined the EPP if they had not been assured from the very beginning that no action would be taken without the full consideration and endorsement of the entire Panel. This process was the key to the coalition's strength and longevity. It was to be repeated as each position, recommendation and report was developed and refined. It strengthened the work and ensured support for its recommendations by all Panel members because all disagreements had to be settled. (A fuller discussion of the consensus process can be found on page 46-49.)

7. Funding

Before applying for financial support the Panel decided that it would establish itself as an ad hoc coalition that would receive funds through one of its tax-exempt member agencies, rather than become a separately incorporated entity. The reasons for this choice were based primarily on the unwillingness of funders and member groups to create another competitor for funds which might duplicate services. Neither the member agencies nor the funders originally wanted the EPP to exist indefinitely. They hoped that the need for an EPP would fade after the Board of Education's mismanagement had been exposed and corrected. Also, flexibility

and membership involvement would be more easily maintained without the by-laws and other requirements of being incorporated, the members felt.

So it was agreed that one of the member organizations would become the coalition's fiscal agent to hold Panel funds in a segregated bank account and to issue the necessary checks. Until it received its first grant in April 1976, the United Parents Associations (UPA) and others provided the Panel with space and support services.

It was initially decided to request money for the assistance of a full-time research staff. Incorporated in the first proposal were the Panel's long and short-term goals which later served as the staff's job description. But before the EPP submitted its proposal, it had to identify possible sources of revenue.

New York has a multitude of foundations which are supporters of quality public education. The EPP was interesting because it represented the consumers of public services and was independent of the bureaucracy. And, of course, the fiscal crisis lent added impetus to their effort. As David Seeley has remarked, "Budgets weren't sexy till the fiscal crisis."

8. Staff

When the Panel knew it was going to receive its first grant of $38,000 (which was provided in two phases), the EPP hired its staff, INTERFACE, after a search. They planned to hire consultants for highly specialized and technical budget reports as needed.

INTERFACE is a private non-profit public policy research, advocacy and management corporation. Through its in-house staff and outside consultants, INTERFACE could manage all the Panel's day-to-day core staff activities as well as coordinate all the Panel's research and analysis. Due to the Panel's seasonal work calendar which revolved around the city's budget, the staff was also capable of tapping the skills and time of many in-house staff people in times of crisis. This capability proved indispensable when the Panel began; the coalition's first budget analysis had to be completed in one month.

INTERFACE was initially hired under a series of three-month contracts which were renewable if the Panel was satisfied at the end of each period. Their first contract said that INTERFACE would:

- coordinate the collection of all research data;
- coordinate an advisory committee;
- assume responsibility for supervision and payment of consultants;
- provide technical writing, public relations and graphic design services for reports; and
- provide secretarial support, photocopying, office space and conference room facilities.

One of INTERFACE's main tasks was to build a solid and unified relationship among the sixteen charter groups, drawing on the many areas of expertise brought to the Panel by its individual members. A second major area of concern for INTERFACE and the Panel was the

need for increased involvement of local communities in the budgetary decisions.

By June 1976, the Panel had decided upon their long-term goals and that they wanted INTERFACE to continue working with them to meet those goals. They were to:

- study management and productivity at the school level;
- analyze comparative data on other school districts and school systems;
- develop community education materials which explained both the process of the education budget as well as the way in which priorities were reflected in the budget;
- develop a year-round budget monitoring system; and
- monitor and endorse actions designed to improve classroom services to children.

A host of experts who performed most of the Panel's substantive technical analyses in its first two years were available through INTERFACE's ties in the academic, business, and government communities. INTERFACE made extensive use of graduate student interns and research assistants from local colleges and universities in addition to private consultants; some at no cost to the Panel. Special consultants, although hired and supervised by INTERFACE, were subject to the advance approval of EPP and its respective committees.

In retrospect, it was critical that the Panel eventually hired INTERFACE rather than use the staff or volunteers of one of its member organizations. Until then, some of the charter members had

felt that the UPA had a greater stake in, and greater control over, the EPP than any other group because it was providing services to the Panel. In contrast, INTERFACE's responsibility was to the coalition. Securing funds to contract its own staff therefore allowed the Panel to feel more like an autonomous entity that belonged to each and every member organization. Similarly, the staff's capacity to draw together one data base gave the Panel a sense of unity, ownership and autonomy.

9. Constituency

Next, the Panel had to ask itself two questions: Whom did the EPP represent? Whom were they hoping to empower? The answers to these questions initially seemed obvious: the Panel hoped to represent and arm the consumers of public education - parents of children in the public school system and taxpayers. Yet the Panel quickly realized that in order to effect change they would have to educate and mobilize three different groups: the decision-makers, the media, and the public. To do so, it would have to become a resource to all those people in a position to influence policy decisions. It was clear that the EPP would have to generate broad-based support for its platform in order to work effectively.

The Panel determined to use its constituencies, members and staff in the first stage of its outreach effort. Later, there were many other questions involving how deeply into the community and grass roots level the EPP could realistically reach. It is clear that outreach has always been one of the Panel's most formidable tasks. This will be discussed in detail further on.

One of the EPP's first outreach efforts was to more clearly define its constituency, both for itself and to lend legitimacy to its claims to be representative of the consumers of public services. This was accomplished through the distribution of a questionnaire to hundreds of parents who were asked to define their priorities for educational services. Again, the member agencies' networks played an invaluable role in this sort of outreach.

10. Activities

Panel strategies and techniques emanated from its immediate need to:

1. Analyze the nearly $2.5 billion Board of Education budget;

2. Scrutinize the management of various non-instructional functions of the Boards;

3. Advocate suggested reallocations and management improvements to the Board and other officials;

4. Build broad community support to achieve the suggested reallocations and improvements.

These research and outreach techniques are the subject of the next chapter.

An important component of the Panel's strategy has been timing. The ability to respond quickly to events in the budget process and in turn, to influence this process at critical moments, is a skill which the Panel has steadily developed. Ms. Heller emphasized how important it was for the Panel to act swiftly "even when we weren't sure of ourselves. We couldn't wait forever before we acted on our beliefs; nothing would have gotten done."

Understanding just how school budget decisions are made -- both formally and informally -- has been another invaluable skill. Political relationships and interests are often not apparent. Those in power generally make decisions based upon certain interests, and often those special interests take precedence over system-wide interests or the interest of society as a whole. It is important to understand those interests, and to be prepared to work with them.

On the Road

In the spring of 1976, the EPP launched its maiden effort -- an in-depth study of the 1976-77 proposed education budget. The study had to be produced in a brief period of intense work. Heading the research team was a budget expert from the City University who had previously monitored the education budget for the State Special Deputy Comptroller.

In accordance with the goals of the Panel, the final report was based on the assumption that additional funds for schools could not be produced. The emphasis, therefore, was on whether available funds could be put to better use to serve children in the classroom. Recommendations were made for specific administrative savings and reallocations of those funds into specific areas of instructional services slated to be cut, amounting to shifts of 30 to 35 million dollars.

A meeting to discuss the report with the Chancellor resulted in his failure to consider any of its recommendations. His position remained what it had been weeks before; his budget was the only possible course.

Disappointed, Panel members turned to city officials. Data in hand, they met with City Council and Board of Estimate members as well as the Mayor's staff to argue for the reallocations. A press conference and widely disseminated press release resulted in major stories in the daily and community papers.

The budget as adopted reflected the Panel's approach, though not its dollar target. Twelve and a half million dollars were shifted from administrative into instructional lines. The precedent for such budget modifications was established. And even more to the point, a method for meaningful public involvement in fiscal decisions had been laid out.

The Emergence of the EPP

In setting the stage for the emergence and internal development of the EPP, many considerations are worth identifying and understanding. Six factors, some positive and some negative, played important roles in establishing the need for a coalition like the EPP and in shaping the strategies of the coalition:

(1) the city's fiscal crisis;

(2) existence of numerous parent, civic and education groups;

(3) citizen apprehension and indifference;

(4) the apparent indifference of city officials to education matters;

(5) the prior existence of an ineffective research/management firm to monitor the Board of Education;

(6) the Board's entrenched bureaucracy.

How the coalition managed to cope with these considerations and eventually use them to their advantage is the subject of this section.

1. The City's Fiscal Crisis

The greatest catalyst as well as obstacle to the Panel's formation was New York City's fiscal crisis in 1975. Forcing municipal agencies into a competitive situation, the fiscal crisis bred a citywide fear that without a mobilized constituency, education and social services would be hit hardest. And indeed, it appears that the New York public school system's budget was slashed disproportionately in 1976 in comparison to the budget of other city agencies, although this is still disputed by some.

As the education constituency has mobilized, education has begun to receive a greater share of the budget, although funds are still not sufficient to provide the quality services supporters would like.

Nevertheless, although the crisis was a factor capable of having the most devastating impact on the educational system, it also was the inspiration for the development of a counterforce to protect that system.

Perhaps more significant than the fiscal crisis itself as a factor in encouraging the development of a citizens' coalition, was the Board's response to the crisis. At first the Chancellor and his staff refused to recognize it, submitting unrealistic budgets and failing to plan properly for inevitable funding cuts or to reveal any retrenchment strategy. When expenditures were cut, instructional areas were the main target. In fact, there seemed to be a deliberate strategy to incite a public outcry by cutting the most visible and critical services. However, that

strategy made the Board even more vulnerable to criticism, and provided the opening for exactly the EPP approach -- i.e., identifying and demanding elimination of administrative "fat" and, at the same time, suggesting a more equitable basis for the distribution of city-imposed budget reductions.

2. Numerous Organizations

The existence of dozens of diverse organizations whose interests included public education posed both disadvantages and advantages to the formation and development of the Panel. On the negative side may be listed: the fragmentation of efforts; lack of direct experience and influence in the school budget decision-making process; and competition among the agencies.

A brief descriptiion will illustrate the diversity of the existing groups. They were city-wide, borough-wide, and community-based. Some were parent groups whose main interest was the education of their children; others were civic agencies with concerns that included a broad range of social and public services; still others were civil rights/ethnic interest groups; and several organizations provided a broad spectrum of child advocacy, research and even some direct educational services. Most of these organizations had staffs, but several were strictly volunteer groups.

There was some duplication of services and functions among these groups which occasionally caused competition for constituencies, members and funds. Moreover, the complex and many-sided constituency of educationally concerned interest groups had resulted in a fragmentation of efforts which had often served, in fact, to

protect the Board's hierarchy. Yet the two biggest obstacles were the apprehensions that one group's "special interest" would outweigh another's and a single agenda for a coalition with such a diverse membership was unattainable.

Although each organization had an education agenda and certain expertise in education issues, the lack of experience in central school budget issues among most of these groups was also significant. Few agencies or individuals had analysed the school budget in-depth. Their involvement had generally been limited to annual budget hearings; even then, testimonies usually focused on one or two issues. Five groups had had absolutely no involvement in budget issues. Two organizations that joined the Panel at its inception were exceptions and were considered forerunners in their budget analysis. (One had a budget committee.) Consequently, most were inhibited by their fear of being inadequately prepared to discuss the technical areas in the budget.

The positive aspects of the diversity of groups was the unifying recognition that: (a) the city's school system would in all likelihood continue to absorb budget cuts; (b) the Board of Education had mismanaged its funds; and (c) there was very little that each group could do independently to address these problems.

Furthermore the experiences, practices, and policies of the various parent, civic, and education organizations were invaluable to the creation, development, and strength of the Panel. The more knowledge the Panel had, and the more people and interests it represented, the more informed, credible, influential and representative it could be.

Nevertheless, there is no denying that the number and diversity of the member organizations, many with existing positions, made achieving consensus a difficult and sensitive undertaking. Especially as increased public visibility was accorded to EPP statements, conflicts among agencies rose to the surface.

Basically those conflicts can be characterized in two ways:

1) Sometimes the position of one agency conflicted with the position of another, making it difficult for the Panel to take a position on that issue. An example of that was a report which examined the formula for the allocation of funds to the high schools.* Several organizations wanted to endorse a redistribution of funds among the high schools. Other member agencies of the Panel, while they were disturbed about the existing inequities in the formula, felt that no school had adequate funding, and thus they would not endorse a "Robin Hood" approach. They could support a shift in the formula which guaranteed schools at least their former level of funding while additional funds were used to "level up" the poorer schools. This conflict was resolved by an endorsement of a new and more equitable formula which included a "hold harmless" clause and a request for additional funds for formerly underfunded high schools. This position was hammered out at a series of research committees of the Panel and then ultimately at the full Panel. In 1980, members of the Panel and staff are participating in a special Board of Education Task Force to reform the high school allocation formula.

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* The Allocation of Tax Levy Funds to New York City High Schools (1979)

2) The second form of conflict were those issues where an individual agency had a conflict of interest. For example, the Educational Priorities Panel launched an examination of special education at the Board of Education even though two members of the Panel were engaged in privately-funded special education research projects. When the Panel study was in its early stages, one of those organizations began to fear duplication of effort, so the Panel decided to temporarily table its special education study. This shift in agenda created some ill will within the Panel. However, after the other study was completed, the special education study moved back onto the Educational Priorities Panel agenda in the next year because it utilized the EPP's unique budget and expenditure analysis approach not covered in the other work.

A similar kind of problem emerged when the Panel began a preliminary analysis of potential budgetary savings from work rules changes in a union contract. Several member agencies of the Panel had problems with that foray because of their relationship with one or a number of unions. Finally, after some difficult discussion, it was agreed to drop work rule changes as part of a budget strategy.

The heart of the Panel's process is consensus, not majority votes. Consensus is a gradual and flexible process that grows out of regular weekly contact and numerous progress reports as a study is developed.

One of the strengths of the Panel often cited by members is that all issues are constantly open for review and discussion. During discussion, issues are explored and molded, alternatives

are suggested, and wording is refined until the Panel has arrived at a statement that reflects the concerns and opinions of all members. Over time this has not produced a watered-down, least-common denominator. Instead it has guaranteed that Panel recommendations are specific, carefully-worded, and finely-tuned.

The work products themselves are strengthened by the process, reflecting the careful review of 25 independent readers, each with a significant perspective. Finally, the process provides a mechanism for resolving any and all disagreements, assuring members that they can lend wholehearted support to EPP reports and recommendations.

In achieving this consensus, two guidelines are followed. First, members must distinguish between semantic and substantive differences. Is there real disagreement or just misunderstanding? Is the statement poorly worded, inexact, or open to misinterpretation? Can the statement be made more acceptable if caveats or exceptions are explicitly stated? Should the wording be narrowed or broadened to cover fewer or more issues?

The second guideline is the strength of opinion. If one or two agencies have an official policy in opposition to a proposal, that is sufficient to take it off the table. On the other hand, if 20 groups feel very strongly about supporting an issue and the remaining groups feel less strongly, or give the issue a lower priority, this can still represent a consensus. Moreover, an agency's lack of a position on an issue will not inhibit the consensus in the same way that a stated negative policy would.

The use of an annual retreat has also refined and furthered the consensus process. This is fully described on pages 58-59.

Of course, the process has not always been smooth. But the resulting trust among members that every EPP statement is one they can stand behind has been strengthened with each successful conclusion of a project.

3. Citizen Attitudes

As described earlier, by the middle of the twentieth century citizens had come to believe that they were not "professional" enough to make decisions regarding the education of their children. They felt alienated and apprehensive about their potential impact on the educational system. Even after the Decentralization Law was passed in 1969 to subdivide the city school district into 32 community school districts, their powers were so limited that community members remained unable to challenge the central bureaucracy on money issues.

In most cases, people were not aware of the direct relationship between the quality of classroom services and how the Board allocated its budget. Figuring that the more money the Board received from the city, the better the services, citizens were more apt to lobby for more funds than to attempt to uncover the Board's mismanagement of its budget.

Through its outreach efforts, including budget workshops and the production of several "Citizen's Guides" to various budget processes, the EPP has instilled confidence in many citizen

leaders, although the extent of its outreach to "grass roots" organizations and community members has not been as successful. Panel staff provides annual training sessions on budget issues to the field staff of the United Parents Associations, who then address and train parent leaders in schools throughout the city. Similarly, most member agencies offer Panel staff an audience of their own board and membership and community meetings.

In addition, the attention given by the press to fiscal matters has increased since 1975, and a part of this is due to EPP's contacts with reporters.

All in all, citizens have become much more aware of the relationship between fiscal matters previously viewed as "arcane" and the realities of the type and quality of services delivered in the schools.

4. Attitudes of City Officials

Attitudes of city officials toward the public schools and the attitudes of education advocates toward city officials presented another barrier that the EPP had to surmount. Education groups were fearful of mixing education and politics, believing that the schools had to be insulated from patronage and other political influences. Further, government officials were wary about involving themselves in education budget discussions because they were unclear about their power to obtain accountability from the Board of Education once the budget was approved.

The City Council and Board of Estimate had never exercised their rights to reallocate funds within the Board of Education

budget because of a failure to accurately interpret the state Decentralization Law. These two legislative bodies had never attempted to analyze the Board's budget; most members were unaware of the breakdown of the budget allocation.

EPP took its case directly to the members of the City Council, the Board of Estimate and the Mayor once it felt that the Board had shut the door on its plans for budget changes. Once their legal powers had been clarified, the City Council and Board of Estimate quickly exercised those prerogatives, and the reallocation strategy was implemented as the Council's and Board of Estimate's own agenda.

In recent years, city offficials have begun to retain education specialists on their staffs because of their new awareness of their possible role in school budget decision-making and the new visibility of school budget issues. Many of the new staff come to EPP for training and then rely upon the data and analysis developed by the Panel. This helps to create unanimity of city opinion on certain issues. In turn, the EPP is able to utilize the research of these staff members, some of which is undertaken at the Panel's suggestion.

With this new involvement of city officials, the EPP has been ablle to shift some of its attention to the federal and state levels. In these efforts, also, city officials and their new staff cooperated, bolstering EPP positions.

5. Board Monitoring Agency

The existence of the Economic Development Council (EDC), a private management and research firm which analyzed management

issues for the Board of Education, stiffened resistance by the Board and by funding sources against acknowledging the need for an EPP. The EDC had a number of on-loan business executives who served as management consultants to the Board of Education on various issues.*

However, some members of the EPP felt that the EDC's role as consultant to the Board was further insulation against change because the Board could claim it had utilized outside evaluators while simultaneously ignoring their recommendations. Also, EDC did not make its information available publicly, intensifying the need for analysis which education groups could share amongst themselves, and ultimately with the public at large. EDC's activities in education have significantly diminished in recent years.

6. The Board of Education

The Board of Education bureaucracy was dominated by a network of managers who had come up through the ranks over a thirty year period along with the Chancellor. They had a stake in the status quo and a strong feeling of solidarity. Division heads at the Board of Education clung tightly to professional prerogatives and did not encourage citizen participation. Suggestions of internal reorganizations which involved budgetary reductions and the elimination of the positions held by fellow administrators were anathema to the Chancellor and his top managers.

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*See Can Business Management Save the City, Free Press, D. Rogers, 1978

In fact, the Board's refusal to consider alternatives to instructional cuts, and its refusal to meet with Panel members drew the Panel closer together. Two years after the Panel's organization, however, a new Chancellor who was more management-oriented and more open to a dialogue was appointed. This is not to say that responses to EPP recommendations have become enthusiastic. However, the EPP's increased clout has made it impossible to ignore any longer and there is cooperation on selected issues.

As the reader can surmise, while these six factors are described as they affected the situation in New York City, many can be generalized to other urban areas today. The need to recognize and understand the existence of such factors in any city before forming a coalition like the EPP cannot be over-emphasized. Similarly as the development of the Panel is described, it will be noted that the particular demands of specific events and personalities frequently shaped the direction of the Panel. Yet, chances are, those characteristics will not be very different from those which confront any other fledgling group.

Evolution of the EPP

1. Budget Analysis

Over the years the Panel's approach to budget analysis and its internal structure have evolved.

A hallmark of the Panel's multi-faceted program has been its research agenda. While other groups have sponsored or completed research studies of comparable range and scope (in fact there is a plethora of educational research groups in New York City), one of the reasons for the Panel's unique success has been its careful

targeting of the topics for study. EPP selected for close scrutiny areas of Board operations which accounted for significant amounts of money. These areas were then narrowed further to those where Panel members and prior research studies suggested that savings were likely. With this guiding principle, studies of the lunch program, custodial program, construction and repairs, and bidding and purchasing followed. Results of EPP analysis of those areas yielded the potential for dollar savings which could then be reallocated into instruction. Studies of this nature provided the backdrop for EPP's yearly budget efforts by allowing the Panel to target specific budget codes for reallocations into instructional areas which the Panel wanted to enrich. The major thrust of the Panel, in its initial two years, was not to request additional funds for education, but merely to request reallocations. The bold statement that the Panel made in its first year -- that there there was in excess of <u>one hundred million dollars</u> at the Board of Education tied up in administrative waste and duplication that could be reallocated into classroom and instructional services -- was, in a sense, the Panel's banner, and brought the Panel a great deal of its credibility, especially with city officials and business leaders. Board of Education reactions to EPP studies -- which were to either question their methodology, to dispute their findings, or to urge EPP not to release initial reports publicly -- only served to reinforce the Panel members' resolve. But, EPP's research was of such a high quality eventually to win credibility.

Beginning in 1978, however, the Educational Priorities Panel was confronted with the realization that with the ever-worsening

city fiscal crisis, whatever magnitude of reallocations it endorsed could not hold the line on instructional services. Therefore, EPP had to depart from its prior position by requesting that the city allocate additional funds to education. The 1978 budget report looked at the entire city budget process and at the equity of the distribution of funds among city services. This change might have been thought of as a major departure in the research agenda; however, it was actually a logical evolution. The Panel previously had been successful because its requests were tied to administrative reductions and reallocations. When reallocations alone would no longer solve the budget problem, EPP offered a package of reductions combined with a request for new funds to "save the school budget." This strategy proved successful and has continued to be the Panel's approach, balancing its requests for equitable budgeting with an active effort to ensure that the Board continue its efforts to trim administrative expenditures.

In 1979 and 1980, the Panel began to look beyond the city budget to examine federal and state actions and revenues, thus viewing the potential strategies for change more holistically.

2. Internal Reorganization

Because of the growing influence of the Panel, it needed a more formal and streamlined structure in order to reach decisions and to act more quickly to respond to a budget process that was no longer seasonal, but continuous. The Panel examined the basic structure of its operations: (a) the function of its coordinator; (b) the function of its staff; (c) the function of its committees; and (d) the process by which it reviewed, analyzed, and formulated its research agenda.

a) Coordinator

The coordinator began to play a much more critical role in Panel operations than when the Panel first began. The role of the coordinator was initially more as convener and host at Panel meetings and one of a number of people who spoke for the Panel and who directed staff. In the 1977-78 year, Ms. Heller began to play the critical role as spokesperson for the Panel and as liaison to staff. Consequently, decisions began to move more quickly, consensus was achieved more quickly, and the coordinator played a more active role in facilitating Panel consensus and decisions. This evolution in her role was critical because the Panel was being thrust into a position where it had many more opportunities to speak out; Panel comments and reactions were being actively sought by the media; one consistent spokesperson was required.

b) Staff

The staff for the Educational Priorities Panel also began to play a more active role as the Panel evolved. When the Panel first began, the Panel members possessed superior expertise in the school system, and staff executed research and policy advocacy under the direction of those knowledgeable individuals. As the staff became immersed on a day-to-day basis in the issues, it developed its own expertise in many areas of education budgeting, finance and management. The staff began to suggest Panel strategies and methodologies for research. The broadening role of the staff allowed the Panel to move quickly and respond to the timetables of the city budget process because staff, in consultation with the coordinator, could take action in emergencies between regular Panel meetings.

c) Committees

When the Panel first began, it established committees around every difficult programmatic or structural issue that arose at a Panel meeting. Each research study and facet of internal operations had its own committee. The proliferation of committees and the resulting inability of staff to attend all of those meetings, let alone write minutes and develop an agenda for them, were hindering the Panel's ability to respond effectively. Therefore, in 1978 the Panel decided to streamline its structure, creating three operating committees: (a) outreach, dealing with the Panel's total public information program; (b) research, dealing with the methodology for all studies; and (c) monitoring to review and track the implementation of recommendations advocated by the Panel in former studies. A fourth committee on planning and policy issues met on a more ad hoc basis and ultimately disbanded in favor of dealing with those policy issues as a full Panel. The existing committee structure enables the Panel to move more quickly, and to refer issues to standing committees.

d) Process

The last area where the Panel brought more structure to its operation was its yearly retreat. The retreat is an opportunity for the Panel to review its operations of the prior year and to evaluate its own record. The first part of the retreat process involves examination of the studies the Panel has released and the strategies the Panel has engaged in. Members discuss and determine the success or failure of those actions and take stock

of the way they reflected on various elements of the Panel's structure, the staff, coordinator, committees and the roles of the member agencies.

In the second phase of the retreat, the next year's research agenda is formulated. The members consider a variety of suggested topics for research which are then narrowed down, by vote of the Panel, to a few critical areas. The staff is requested to draft tentative draft workplans for each of those areas before final selections are made at a subsequent meeting. Individual agencies then return to their individual boards of directors and boards of trustees to approve the agenda. The approved work plans are then embodied in the year's funding proposal.

While the Panel has had to make certain alterations in its research agenda during the operation of a Panel year, based upon changing events, basically the Panel's program is locked in at this point. Projects that are rejected at this retreat and suggestions for others that arise during the year may be considered at the next retreat.

These changes in Panel procedures, the results of experience, have made the Panel's operations run more smoothly.

Let us now proceed to a closer examination of the three basic activities of the Panel -- research, monitoring and outreach.

CHAPTER III

The Panel's Activities and Techniques

In achieving its effectiveness, the EPP's activities can be divided into research, outreach and monitoring categories.

What Research Methodologies Were Used And Why

The research of the Educational Priorities Panel can be divided into three major types: (1) budget studies that may be comparisons of expenditures versus budgets, comparisons of budgets over time, or examinations of modifications or changes in budgets within a given year; (2) comparative studies which look at Board of Education operations compared to other cities or states, to private industry, or to other governmental agencies engaged in similar kinds of work; (3) management studies which determine if and how dollars are being wasted. Each is discussed below.

1. Budget Studies

A comparison of expenditures versus budgets was the Panel's first research program.* Because of the Panel members' first-hand knowledge of in-school activities, EPP suspected that there might be a disparity between what was budgeted and what was actually expended. Therefore, an in-depth examination comparing budgets to spending might uncover a hidden set of priorities that might be different from those articulated by the school leadership or those that would be found by looking

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* A Comparison of Budgets and Payrolls at the Board of Education (1976)

solely at the budget. The reasoning behind the study was that budget issues could easily be clouded if items that parents and citizens might favor are budgeted for but the funds not spent. An even more disturbing finding would be if money was spent in administrative areas beyond what was budgeted for. The hypothesis was that an examination of actual expenditures would uncover excessive spending in administrative areas versus instructional areas.

There were many difficulties in preparing that study. The first was categorizing administrative expenditures, since New York City's education budget does not permit easy discrimination between instructional and administrative expenditures. Further, payrolls did not correspond to units at the Board. At the outset there was a recognition that there would be errors in categorizing some administrators as instructional because they were on pedagogic lines. However, even the errors would then be revealing if they were attacked and corrected by the Board.

Every Board of Education payroll was examined. The actual payments to individuals were compared against the number of positions filled or not filled at the Board of Education. The findings indicated clearly that the Panel's hypothesis was correct. In fact, what was expended was quite different from what was budgeted, and there was a definite pattern to spend more heavily in administrative areas and to underspend in instructional areas. The resultant actual expenditures were markedly different from what the Board of Education was saying.

2. Comparative Studies

The research on the school lunch program is the clearest example of a comparative study.* In the expenditure versus budget study it became clear that the budget for the Bureau of School Lunches contained a large number of tax levy dollars. To Panel's charges that there was a great deal of administrative waste or mismanagement there, the Board of Education responded that the school lunch program was being administered in the most efficient way possible. So the Panel determined to study the operation of the school lunch program.

It began by examining expenditures in other cities across the country, since the school lunch program is supported, not only by state, but also by large federal subsidies for school food programs. It was clear that the cost per school lunch was markedly higher in New York City than in other parts of the country. In other cities school lunches were being delivered at a cost equal to or slightly higher than existing state and federal subsidies, while New York was contributing 35 cents additional to every school lunch or roughly 35 million dollars in additional tax levy money. The Panel also looked at a private school operation in New York City to control for higher costs associated with doing business in New York City. Still the claim could be made that tax levy dollars were being wasted. It also compared school lunch costs against

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* The New York City School Lunch Program (1976)

the cost of contracting out the lunch services to a variety of institutional contractors, for example, fast food franchisers or contractors operating in university systems. Again, the body of evidence pointed to a budget and management change in the operation of the Office of School Food Services. Further examination into prior audits by the city and state comptrollers indicated many management and inventory problems -- problems related to warehousing, truck dispatching, and employee unions.

The strategy, which was to become the EPP's standard operating procedure, was to gather these figures and release them publicly. The findings were dramatic in terms of the amounts of money that were being spent on the lunch program, and much more dramatic in light of the "plate waste" studies that indicated that, even for the high cost of a school lunch, we were not producing school lunches that children were eating. The dramatic contrast between the Board of Jewish Education delivering high quality kosher lunches at 86 cents per lunch and the Board of Education delivering lunches of poor quality at a $1.35 or $1.30 caught the imagination of the Mayor. Consequent reforms consisted of more involvement of parents and children in menu planning, greater utilization of outside contractors, and major streamlining in the management structure of the Office of School Food Services including a change in the directorship of that area. Today the school lunch program is not supported by any city tax dollars.

3. Management Studies

An example of a management study is the EPP study of the Division of School Buildings which examined maintenance and repair

operations.* Again, the impetus for the report was EPP's prior studies of school custodial operations which had revealed significant management weaknesses in the Division of School Buildings. In light of the significant sums of money involved and the complaints from the schools about the maintenance program, it was felt that the program was ripe for study. It had frequently been reported by parents that hazardous conditions remained uncorrected while minor repairs were made.

The methodology was to examine the entire maintenance process within the Division from the development of a repair order at the school level to the actual completion of that repair in order to track the paper process, the individuals associated with that process, and the time involved. Furthermore, several maintenance and construction operations within the Division of School Buildings were reviewed to look at the potential for cost savings by curbing overruns or other abuses.

The findings indicated that the Bureau of Maintenance had no priorities at all for maintenance, which accounted for the replacement of doorstops while ceilings were falling. It also showed extensive duplication of effort and other problems in the borough repair shops resulting from restrictive civil service titles. The report further documented the inability of the Division of School Buildings to ensure accountability over its repairs and construction or those that were contracted out to private operations.

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* A Management Study of the Board of Education Division of School Buildings (1978)

The Panel advocated many administrative reductions within the Division, some of which were made. These provided part of the financing for the development of educational improvement programs that the Board initiated soon after the study was completed. Also the Panel's research resulted in a change in the executive director of the Division of School Buildings and a major management reorganization within the Bureau of Maintenance and the Bureau of Repair.

Each of these studies was completed in a relatively short period of time. The school lunch study was completed in a six to eight-week period using a very simple data collection instrument, telephone interviews, and examination of secondary data that were available from the various comptroller reports on the Office of School Food Services. The management study of the Division of School Buildings took somewhat longer, approximately three and a half months, since it was a far more ambitious examination of a management structure. But in each case, the Panel carefully chose the area for study, narrowed so that it could be completed in a relatively short period of time.

Follow-up of Research Studies

The effectiveness of EPP's efforts to convert research findings into policy change may be attributed to two further strategies that follow the release of a research report: (a) outreach, the publicizing of the findings and recommendations of a report, and (b) monitoring, the surveillance and encouragement of actions to implement Panel recommendations. These techniques, especially "going public" and cultivating support for its suggestions, distinguished the EPP from the Board's own management consultant.

Outreach

"Outreach" can be defined as the effort to inform and empower a variety of audiences. These include: organized citizens such as parent, business and labor groups; the news media; and decision-makers.

EPP's first concern was the media. In a city the size of New York, and with its limited staff, the mass media were the only practical way to reach a significant number of people.

An aggressive campaign to gain recognition was waged that was marked by careful attention to detail and to individuals. For example, a press conference releasing a study was preceded by a mailing of invitations; hand delivery of invitations to key reporters; press releases and report summaries hand delivered in advance to major dailies; personal phone calls to reporters; requests for talk show opportunities; press kits for reporters; meetings with editorial writers; and, in some cases, tailoring of stories to appeal to local interests.

In subsequent years, the Panel began to hold general news briefings before the "budget season" began, at which they acquainted reporters in advance with upcoming studies and their significance. So, the Panel became a resource for education reporters and began to be called for background and/or comment whenever a school fiscal issue arose. The culmination of the building of such credibility came when the EPP was invited by television networks to help produce news specials and series on issues related to its studies. Panel staff suggested the format, the sites and the persons to be interviewed. These segments provided visibility not only for the EPP, but also for the issues.

Recently the EPP has sponsored a weekly radio program, "Education Alert" which features guest panelists discussing school-related issues and programs even beyond the Panel's normal range of interests.

Although the press, radio and television were the prime focus for reaching out, there were also efforts to go into the neighborhoods to inform local groups about school budget and management issues. Some of these meetings were organized by Panel members; some were at the invitation of community groups or local officials or school boards. Later the Panel sponsored budget workshops independently. These required a great investment of time and money in mailings and publicity and the responses were erratic. When they worked, they were capable of engendering informed testimonies at public hearings and strong letters to public officials. At other times the sparse attendance was disappointing and the Panel is still debating whether it can effectively reach out to the grass roots level with its limited staff.

For its more massive outreach efforts, the EPP has relied on a series of "Citizen Guidebooks" which are explanations of basic budget processes for laypersons. To date, three have been produced, one for each level of school financing. Thus, one is devoted to an explanation of the federal Title I program (because it is the city's largest source of federal funds) including the allocation formula, the service requirements and the public participation process. The second is a critical analysis of the state aid to education formula, especially in the context of recent court challenges to its equity and constitutionality. And the third

is devoted to the local board of education budget, how to read and understand it and how to participate in the budget development process.

Each of these booklets, while purely informational, points up possible problem areas and tries to encourage public involvement in those issues. They are produced in English and Spanish and are widely disseminated free of charge by Panel members, at city-wide meetings and on special request. Community school board members receive them as do all parent organization leaders. Many superintendents have requested them in bulk for their community meetings. And they are even being used as texts in some college and graduate level courses because localized material of this nature exists nowhere else.

More recently the Panel, in cooperation with the State League of Women Voters, has widened its citizen information program to produce a packet of audio-visual and printed materials on state aid to education for distribution to community groups and school districts statewide.

Additional outreach on school budget issues is aimed at two groups of officials -- city officials and school-related peronnel. Discussions with the latter fall more properly into the area of "monitoring" to be discussed below.

Because city officials hold the Board's purse strings, members of the City Council and Board of Estimate must be the target of advocacy efforts. Credibility was initially established with these decision-makers because the Panel did not indiscriminately ask for more money for education. In fact, EPP criticisms of

Board of Education management practices have been seized upon by opponents of school spending. But that stance made the Panel's documentation of the devastating impact of budget cuts and of continuing instructional needs carry additional weight. In fact, only such a stance could, and did, convert those early opponents of more money for the schools to recognition of the real needs.

In New York City, as elsewhere, the executive department can muster a great deal more professional staff than can legislators. Lacking objective information, the City Council was frequently faced with guessing at the truth which lay somewhere between the conflicting demands of the Chancellor and the Mayor's Draconian measures. After their first success, Panel members and staff became unofficial advisers to Council members, and EPP budget reports became the basic document for reference and response at budget hearings.

This role as "pro bono" counsel to city officials took an interesting turn in 1977 during the mayoral election campaign. Every candidate (except the incumbent who was later defeated) consulted the EPP and adopted its approach of advocating the shifting of education dollars from administration to instructional services. This platform plank appealed to a broad spectrum of political persuasions because it promoted greater efficiency in public services while, at the same time, recognizing the legitimate needs of children. So the candidates, in effect, became the most effective purveyors of EPP's message throughout the city. Later, Mayor Ed Koch was to announce publicly, "Everything I know about education, I learned from the EPP."

Monitoring

Anyone who is involved in public policy change will tell you that the one trait most necessary to success is dogged perserverance. Probably because of the lack of continuous financial support and personnel, reform organizations often make a big "splash," elicit promises of change (sometimes even well-intentioned promises), and then fail to monitor the actual impact of their efforts. Some changes can be implemented quickly at the administrative level; others will require lengthy legislative processes or phased in formula changes or collective bargaining agreements. EPP's major achievement is not its research reports, but the number of new and reallocated dollars it can lay claim to having had invested in instructional services, now amounting to over a quarter of a billion dollars! And this is the result of careful tracking of responses to EPP recommendations.

Monitoring the implementation of budget reallocations is necessary in New York because, as discussed earlier, budgets do not reflect actual expenditures. A painstaking and ongoing tracking of year-round budget modifications is necessary to ensure that funds allocated on certain budget lines are actually spent for the intended function. Sometimes these changes do not become part of the official budget until long after the expenditure has taken place. So an unwary public can easily be deceived into thinking its priorities have been reflected in an adopted budget only to discover too late that the services promised are not forthcoming.

Therefore EPP staff and members, while maintaining a watchful eye on the written budget, also meet regularly with the persons who

head bureaus and divisions that have undergone scrutiny in a prior research report. "How many persons are actually working there and what functions do they perform," they are asked. Commitments to management improvements are obtained and managers are held to those commitments. Sometimes others are enlisted to help in the monitoring process and lend additional encouragement. The City Comptroller has launched investigations into several areas of educational expenditures questioned in EPP reports. As an outgrowth of EPP's study of school lunches, the chairman of a Congressional agriculture subcommittee conducted hearings on the subject, and the General Accounting Office conducted an independent audit as well.

To discover the difference between the official "line" and the actual services delivered, EPP depends upon its members and parents in the schools to be alert to problems. In the spring of 1978 complex budget negotiations took place between the city and the Chancellor to find a way to maintain services. The final settlement necessitated several administrative cuts to save money that could be devoted to classroom services, but all agreed they could and would be implemented and the quality of education would not suffer. Shifts of funds and personnel continued all summer and into the first weeks of school. But in September reports began to trickle back from one school after another that classes were larger, that special programs had been dropped, that supplies were non-existent. Staff and members swung into action to document the cuts, district by district. When the trend became clear, even though it had not been acknowledged by any school official, further

investigation revealed the reasons. Potential savings from various retrenchments had been over-estimated, and expenses had risen faster than projected. By November, the EPP issued a report revealing the conditions in the city's classrooms and bringing to light an alarming mid-year deficit. Furthermore, the EPP was ready to recommend how the deficit could be met with further reallocations and new funds. Finally, in the months to come, EPP members advocated their solution to city, state and federal officials who, after wringing some concessions from the Chancellor for EPP-recommended administrative reductions unified in an effort to keep the schools afloat. Good contacts, quick action, and careful monitoring had put the EPP in the forefront of a complex issue that might otherwise have escaped the public's notice.

CHAPTER IV

Conclusion

The Philadelphia Council on Educational Priorities

The following letter was sent by the Citizens Committee on Public Education in Philadelphia on June 26, 1979, six days after EPP representatives had addressed members of several disparate educational organizations in her city.

> "It worked! The Big Three, for the first time in recorded history, are ready to roll together -- and with an enthusiasm that I never dreamed would exist. The leaders of Home and School Council, Parents Union and Citizens Committee have directed me to prepare a funding proposal for presentation at their respective Executive Committee and Board meetings in September. They talked together after you left like I have never heard them talk in the nine years I've been on the educational scene. They are convinced that together they can make a difference and that this is the moment to be seized. Their only reservation was that we could not import or clone the two of you to lead our charge. Fortunately, however, your very special personal qualities and joint chemistry give us standards by which to measure local prospects.
>
> "In 80 minutes you accomplished what four years of outrageous stupidity at the Board of Education could not do by itself: you showed us how to make a difference by joining our energies and skills. I suspect--and hope--that the school system will never be the same as a result."

Today, with assistance from the EPP, the Council on Educational Priorities in Philadelphia claims 17 citywide member organizations, more than $48,000 in local foundation and corporate contributions, a staff director, a research agenda, a budget report, some excellent press and TV coverage and new City Council budget reporting requirements to make the school system more accountable in its spending

practices. And on November 10, 1980, the Board announced that, pursuant to a CEP recommendation for improving the budget development process, the release date for the proposed budget would be advanced one month. This against a background of a decade of declining services and increasing costs.

In 1977 a "standstill" school budget had a projected deficit of $173 million, which represented one quarter of Philadelphia's entire proposed operating budget. That gap was closed by a combination of cuts and a $50 million bank loan. The cuts were made heavily in instructional areas and other crucial in-school support services such as counselors, librarians and reading aides. The loan was part of a devastating fiscal practice of incurring long-term debt to pay off current operating deficits.

In 1978 the City's proposed operating budget retained non-mandated transportation, the Board of Education's secretaries and chauffeurs, staff in the architecture and engineering departments (not needed because of the absence of a capital program), patronage employees in City Hall, and department heads with little or no teaching duties. At the same time the budget proposed cutting counselors, aides, non-teaching assistants, a nationally recognized Teacher Center and vital alternative programs which had established a track record for retaining and re-motivating students who would otherwise have dropped out.

As one CEP report later described it:

> "Philadelphia boasts balanced budgets and surpluses but still lacks sufficient credibility in the financial community to float its own bond issue for repair of facilities.

"More and more parents place their children in private schools or move to the suburbs because of the deteriorating condition of public education in the City.

"Scores of parents and civic groups who used to attend Board meetings and testify at budget hearings no longer do so out of frustration that they will not be heeded."

The successful birth and growth of a coalition similar to the EPP has given the Panel's experience significance beyond New York. This chapter briefly traces the history and development of the Council for Educational Priorities (CEP) in Philadelphia, Pennsylvania.

Based on the EPP's experience, 16 private non-profit organizations in the fall of 1979 joined hands to assure that their school system's budget reflected a priority on classroom instruction rather than administration. Below is a current list of CEP's 17 member organizations:

Member Organizations

Americans for Democratic Action
American Jewish Congress
ASPIRA
*Citizens Committee on Public Education in Philadelphia
*Clergy United to Save Our Schools
Common Cause/Philadelphia
Disabled in Action in Pennsylvania
Jewish Community Relations Council
Junior League of Philadelphia
Mental Health Association of Southeastern Pennsylvania
*Parents Union for Public Schools
Philadelphia Council of Neighborhood Organizations
*Philadelphia Home and School Council
Philadelphia Police & Fire Association for Handicapped Children
Philadelphia Urban Coalition
Public Interest Law Center of Philadelphia
Urban League of Philadelphia

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* Indicates founding members.

The first stage of the formation of the CEP began in June of 1979 when leaders of the four groups starred above met to discuss the relevance of EPP's experiences to Philadelphia with the coordinator and the staff director of EPP. They wanted to pursue the development of an EPP in Philadelphia with an initial agenda of analyzing the budget's commitment to classroom services.

The meeting was a great success, as indicated by the letter reproduced above. Four tentative characteristics of potential member groups were established:

- citywide in scope;
- interested in quality public education;
- committed to delegate one staff person or volunteer;
- not working or performing management studies for the school system.

A draft proposal was circulated to the boards of the four "charter" organizations and to the leadership of 45 other citywide civic groups concerned about public education in Philadelphia to determine their interest in joining the coalition. Following briefing meetings for interested parties in the last three months of 1979, a group of organizations representing a variety of constituencies and interests made a commitment to join the CEP if the coalition received funds to support its effort.

In its funding proposal the CEP outlined its intention to operate along the lines of New York's EPP.

By March 1980, the CEP received its first grant in the amount of $10,000. The Council then agreed to undertake an analysis of the school districts proposed operating budget for 1980-81 with a

major portion of the grant. Two consultants were hired to do that analysis within a month, in time for the Board of Education's public hearings. Like the EPP, the CEP decided that a credible initial product was the best method for attracting additional resources with which to continue to conduct a thorough budget analysis and develop additional management studies.

The EPP has provided the CEP with technical assistance since its inception. This has included attendance at CEP meetings by EPP staff and observations of EPP meetings by CEP members, and assistance in hiring and training staff. Finally the EPP has compiled a workbook including step-by-step procedures for organizing and operating an effective coalition.

Because there appeared to be no existing public management consulting organization in Philadelphia which also provides secretariat services as INTERFACE does, CEP's staff director is a full-time employee who combines the requisite skills in conducting research, communicating with diverse audiences and managing consultant researchers. CEP's President, Debra Weiner, is a volunteer selected by the members of the coalition, who chairs meetings, provides liaison from CEP to the staff and represents the coalition in meetings with public officials and the media.

To avoid the appearance of any single organization being dominant, the CEP has its own office in Philadelphia's center city. Its initial budget included proposed expenditures for rent and equipment. In the interim the CEP had used the space of one of its charter members, the Citizens Committee on Public Education in Philadelphia (CCPEP).

The success of CEP will be determined by its ability to alter school district budget allocations and management practices in those areas it undertakes to study. An independent evaluator will be hired to conduct a review of CEP's efforts.

Accomplishments

By the end of their first year the CEP will have finished six budget and management reports. These analyses will include:

- 1980-81 Proposed Operating Budget Analysis;
- Analysis of Revised Operating Budget 1980-81;
- Analysis and Recommendation of Budget Development Process;
- Employee Absenteeism;
- Central Administration; and
- The Proposed Operating Budget Analysis of 1980-81.

In a press statement, the coalition voiced its first outcry (based on its budget analysis) calling for the Board of Education to transfer $21.8 million of its proposed operating budget to basic instructional services and in-school support and asking the City Council to require this shift of funds as a condition of granting the school district $55 million in additional taxes to close the projected budget gap.

The CEP went on to show, with statistics compiled with the assistance of a former research economist from the Federal Reserve Bank, that money since 1970 had been spent on administrative overhead rather than on direct instruction and in-school support areas. They also criticized the superintendent for trying to balance the budget at the expense of the students.

> "Every year the superintendent and the Board moan about how the kids will suffer if more money doesn't appear," Weiner said, "and then they turn around and give less and less of what money is available to direct instruction and support services in the schools."

As described in the press release, the CEP called on Philadelphia's City Council to force the district to increase the proportion of the budget spent on direct instruction and in-school support services in return for the requested authorization for a $55 million hike in school taxes.

> "On the basis of past practices of letting non-instructional/ overhead expenditures increase more than twice as much as direct instruction and in-school support, we would be foolish to assume that the Board and superintendent would get its priorities straight without insistence from City Council and the Mayor."

In response, the City Council took a first step in establishing its responsibility for school matters by developing stringent reporting requirements for the Board of Education.

By October, the CEP released another report with a series of recommendations for improving the school district's budget development process. Citing the need to "put an end to inadequate time, inadequate data and lack of full and frank dialogue with the citizens of Philadelphia" that makes citizens suspicious of the school district's claims that it needs more money, the CEP's proposal called for a series of changes.

Each organization contacted the mayor, council members, and various decision-makers as a follow-up to the study's release. A question/answer sheet on the Budget Development Process Statement is being formulated to poll the reactions of the public.

The first response to these CEP demands was the change of the budget release date mentioned above.

So, Philadelphia has become the second of what the EPP hopes will be many cities to establish the maxim that educational priorities must: (a) be set by the consumers of public services, and (b) serve the instructional needs of children first.

Value to Coalition Members

It is clear that a coalition of groups to further effectiveness and efficiency in public education is good for the educational system. What has been the return for the members of the coalition? certainly the commitment of time and effort is considerable and it is reasonable to ask if the investment was worthwhile.

In September 1980, delegates of 18 member agencies of the EPP were asked to describe and evaluate the effects of their organizations' involvement in the coalition on their agencies and on themselves. The range of their responses is indicated below:

1. We use the EPP as a resource for information on different education issues. It has helped us clarify our organization's policy on education issues and gives us the leverage to address budget questions.

2. The EPP speeds up our decision process.

3. We can now give a detailed analysis on a complex subject. It has armed our organization.

4. It has given our organization an education agenda, a position, and power.

5. It has made us more involved in the budget process.

6. It has heightened our awareness of issues around public education.

7. We rely on the EPP for budget analysis.

8. We are now involved in local school budget issues.

9. We work with more groups than we did before, sharing information and pooling efforts.

10. We are now more aware of the problem being citywide.

11. It has slightly improved our knowledge of school budget issues.

12. It has helped strengthen our research and class advocacy efforts.

13. It has called attention to the difference of the groups on the EPP.

14. Our organization can give more effective testimony.

When asked what effect each individual's involvement with the EPP has had on each member, the overwhelming response was that members feel more knowledgeable, confident, stimulated, aware, and involved in school budget issues.

A Look Ahead

Perhaps the most fruitful area for the future of citizen involvement is in the area of fiscal management. The direct-line relationship between budgets and the quality and scope of classroom services cannot be ignored in the coming decade of continuing austerity.

But meaningful monitoring of financial maneuvering to ensure that public priorities are reflected in school spending practices requires a level of expertise that few untrained persons can muster. Empowering citizens to influence public fiscal policy requires the ongoing and concerted attention of education advocates. And, as the EPP experience demonstrates, coalition building is one of the most effective techniques that can be brought to bear on the effort.

The Educational Priorities Panel has been singularly effective in building such a broad and unified base of support for effective and efficient management of education dollars. Its members hope that their experiences will encourage similar efforts in other cities. They believe that demanding accountability from school officials can be only to the benefit of school children. And they are prepared to lend a hand to spread the recognition of that fact. The maxim that, whatever the dollars available to education, they must be used to the greatest extent possible for the benefit of children in the classroom, is one that they would like to see adopted by parents, taxpayers and school and government officials nationwide. To that end, they offer to persons and organizations who share their goals their assistance and their support.

If school costs in your district are rising while test scores are declining; if taxpayers are complaining while parents are protesting; if bureaucracies are getting fatter while services are getting leaner; if timeworn strategies have failed; then the Educational Priorities Panel may be the answer for your city and school system.